

SPECIAL MEETING NORTH SMITHFIELD TOWN COUNCIL

JUNE 23, 2014

KENDALL-DEAN SCHOOL AUDITORIUM

7:00 P.M.

The meeting began at 7:01 P.M. with the prayer and the pledge to the flag. Council members present were Ms. Alves, Mr. Yazbak, Mr. Zwolenski and Mr. Flaherty. Mr. McGee arrived at 7:04 P.M. Town Administrator Hamilton and Town Solicitor Lombardi were also in attendance.

RECONSIDERATION OF VOTE TAKEN ON JUNE 16, 2014 REGARDING CONTINGENCY BUDGET LINE ITEMS

Mr. Zwolenski noted that in the budget they had originally budgeted for \$110,000 but he was part of the majority who voted to reduce it to \$75,000 and thought about the impact it would have on the contingency infrastructure and would like to increase it back to \$110,000.

June 23, 2014

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted 4 to 1 on a roll call vote (Mr. McGee voted no) to reconsider the contingency budget line items.

Mr. Flaherty asked the Chair of the Redevelopment Agency, Mr. Scott Gibbs, to weigh in on this topic and explained that the Redevelopment Agency had done so much work on this plan and

feels that this is critical to lay the foundation for incremental increases in the town's tax base to support the things that people care about.

Mr. Scott Gibbs stated he reviewed at a past town council meeting what the Redevelopment Agency's potential is for the future infrastructure. He feels that they need to take a leadership role in redeveloping the infrastructure in the Branch Village area and mentioned partnering with the Department of Transportation (DOT) project gearing up for the redevelopment bridge location. He explained that there is an opportunity to partner with the DOT. They are looking at the increase of appropriation in the infrastructure as fundamental for their efforts to start that project partnering with the DOT in addition of preparing for the sewer improvement project and preparing for that infrastructure. He strongly supports the efforts to reconsider the infrastructure contingency for appropriation.

Mr. Yazbak suggested having the \$35,000 taken out of the \$75,000 and transfer \$40,000 in the fund balance restoration.

MOTION by Mr. Zwolenski and seconded by Ms. Alves to increase the Contingency Infrastructure fund line item from \$75,000 increasing to \$110,000 as originally requested by the administration with their recommendation.

Roll call: Ms. Alves – yes; Mr. McGee – no; Mr. Yazbak – no; Mr.

Zwolenski – yes; and Mr. Flaherty – no. The motion failed 3 to 2.

MOTION by Mr. Flaherty and seconded by Mr. Zwolenski to increase the Contingency Infrastructure fund to \$150,000.

Roll call: Ms. Alves – no; Mr. McGee – no; Mr. Yazbak – no; Mr. Zwolenski – no; and Mr. Flaherty – yes. The motion failed 4 to 1.

MOTION by Mr. Flaherty, seconded by Mr. Zwolenski, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to increase the Contingency Infrastructure fund line items to \$115,000 as originally requested by the administration with their recommendation.

MOTION by Mr. Yazbak and seconded by Mr. McGee on the Fund Balance Restoration, account number 41-94-569 reducing that line item from \$75,000 to \$0.00.

Roll call: Ms. Alves – no; Mr. McGee – yes; Mr. Yazbak – yes; Mr. Zwolenski – no and Mr. Flaherty – no. The motion failed 3 to 2.

MOTION by Mr. Yazbak and seconded by Mr. McGee on the Fund Balance Restoration, account number 41-94-569 reducing the line item from \$75,000 to \$25,000.00.

Roll call: Ms. Alves – no; Mr. McGee – yes; Mr. Yazbak – yes; Mr. Zwolenski – no and Mr. Flaherty – no. The motion failed 3 to 2.

MOTION by Mr. Yazbak and seconded by Mr. McGee on the Fund Balance Restoration, account number 41-94-569 reducing the line item from \$75,000 to \$50,000.00.

Roll call: Ms. Alves – no; Mr. McGee – yes; Mr. Yazbak – yes; Mr. Zwolenski – no and Mr. Flaherty – no. The motion failed 3 to 2.

MOTION by Mr. Zwolenski, seconded by Mr. Yazbak, and voted 4 to 1 on a roll call vote (Mr. Flaherty voted no) on the Fund Balance Restoration, account number 41-94-569 reducing the line item from \$75,000 to \$60,000.00.

June 23, 2014

RECONSIDERATION OF VOTES TAKEN ON JUNE 16, 2014 REGARDING POLICE PENSION ACCOUNT #4811-231 AND MUNICIPAL PENSION ACCOUNT #4811-232

Mr. Yazbak explained that the finance director had a meeting last Friday and identified an issue regarding pension contractual obligations and setting a new rate at the State level for pension obligation. The pension budget that was approved a week ago was not the proper amount. The proper amount for the police pension is \$273,493 and the proper amount for the municipal pension is

\$104,770. Because it is a contractual obligation they would have to end up spending that amount of money based on the calculations that the finance director had. Based on the respect for the Finance Director and Town Administrator and based on their requests he placed it on the agenda for reconsideration.

MOTION by Mr. Yazbak, seconded by Mr. McGee, and voted unanimously on a roll call vote to reconsider votes taken on June 16, 2014 regarding the Police Pension account #4811-231 and Municipal Pension account \$4811-232.

MOTION by Mr. Yazbak, seconded Mr. Zwolenski, and voted 4 to 0 on a roll call vote (Ms. Alves recused from the vote) to amend line items #4811-231 Police Pension to \$273,493 and #4811-232 Municipal Pension to \$104,770.

RECONSIDERATION OF VOTES OF CAPITAL OUTLAY FOR SCHOOL DEPARTMENT

Mr. Yazbak referred to a new line item listed under account #4814-101 Capital Outlay – Police for \$78,407 and Capital Outlay - Schools account #4814-120 for \$247,675 on the operating budget that was approved. He would like to reconsider to free up some money so they can use that money to be closer to what was originally requested by the school department. He feels that it is coming at the expense of the school department request that it already had been paid for. There is a \$1.2 million shortfall and the money needed for their basic

education plan. Currently, they are approximately \$275,000 short of the school department's request.

MOTION by Mr. Yazbak and seconded by Mr. McGee to reconsider line items for account #4814-101 Capital Outlay – Police for \$78,407 and account #4814-120 for \$247,675 Capital Outlay – Schools.

Mr. Flaherty stated that this item is out of order and Mr. Yazbak is not eligible to nominate this for reconsideration being that he was in the minority vote and he had confirmed what the original vote had been with the clerk. The original vote was a 3 to 2 vote with Mr. Yazbak and Mr. Zwolenski voting no. They were in the minority in that vote.

Mr. Yazbak stated that under Robert's Rules anyone can ask for reconsideration whether it be positive or negative of a vote.

Mr. Flaherty disagreed and stated that it is written in the rule book.

Mr. Yazbak asked a colleague of his to do the affirmative and asked for a vote for reconsideration.

Mr. Lombardi informed the council members of how the person in the majority needs to notify the clerk to motion that he/she is going to reconsider prior to the meeting. He explained that if you're not in the majority that the person has to vote on this motion before he/she can take up any other motions. He stated that it is out of order.

He read the following from the Rules of Order of the Town Council under Rule #10: “When a vote has been passed, it shall be in order for any member voting with the majority to move a reconsideration thereof at the same meeting, or to give notice in writing of his/her intention to move a reconsideration at the next regular meeting, provided, however, that the Chair shall not entertain any motion until the motion to reconsider has been acted upon; and when such notice of an intention to reconsider has been given, the Clerk shall retain possession of the papers until the next meeting, and no subsequent motion to reconsider the vote passed shall be in order at the same meeting, unless upon a withdrawal of the notice, and when a motion to reconsider has been decided, that vote shall not be reconsidered; and the same resolution or ordinance shall come once

June 23, 2014

before this body for reconsideration.”

Mr. Flaherty asked Mr. Lombardi since there is a motion on the floor on an item and a motion that is out of order, can they even take a vote on the motion.

Mr. Lombardi stated no.

**RECONSIDERATION OF VOTE TAKEN ON EMERGENCY
MANAGEMENT AGENCY BUDGET**

MOTION by Mr. Zwolenski, seconded by Mr. Flaherty and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to reconsider votes regarding the Emergency Management Agency Budget.

Mr. Flaherty reviewed the original request in the amount of \$18,658 and with the administration's approval and the Budget Committee recommended a total of \$17,908. What was actually approved was \$14,250.

Mr. Peter Branconnier, EMA Director, is requesting an additional \$1,000 into his clothing budget to purchase new summer uniforms for the members of the EMA. He suggested appointing a liaison between the town council and the EMA making them aware of what they actually do.

Mr. Flaherty referred to the promotion meeting they held on April 20, 2014 and suggested having the EMA come before them as they had before. He stated that it is a great opportunity to hear exactly what the EMA does 365 days a year and would like to have that as a continuing tradition.

Mr. Branconnier agreed and would also like to continue that tradition.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to increase the EMA budget from \$14,250 to \$15,250 with \$1,000 increase going

towards clothing.

Mr. Zwolenski volunteered to be the liaison between the town council and EMA.

PROPOSED BUDGETS FOR FISCAL YEAR 2014/2015

Expenditures

Mr. Flaherty requested starting with item B, the Expenditure report. He referred to the school department allocation budget and under state law the total amount that they can expend and is allowed is \$39,322,660.

Finance Director Brenda MacDonald gave the maximum appropriated allowed amount to the school that is \$18,657,223 which is 2.4%. She indicated that is the local appropriation not including state aid. And with the state aid that would bring it up to 2.7%. The total amount would be \$24,486,857.

Mr. Clifford understands that the revenue numbers were already changed on the budget committees revenue sheets prior to the meeting and if \$41,000 were added to expenditures it should be coming out lower for the total expenditures not higher.

MOTION by Mr. Flaherty, seconded by Mr. Zwolenski, and voted unanimously on an aye vote to take a five minute recess so the finance director can double check the numbers and know what

numbers they are working with at 7:44 P.M.

The meeting resumed at 7:51 P.M.

Finance Director MacDonald stated that the maximum amount available to appropriate to the schools is \$18,617,223 which is 2.5%

Mr. Yazbak noted that there is a difference of \$296,658. He feels that is because the entire general fund operating budget wasn't approved. He believes everything is back on the table and they don't need a motion to reconsider.

June 23, 2014

Mr. Lombardi stated that they would have to get to a mechanism that reconsiders a vote that was already taken. The budget has to be balanced and has to include an explanation of how it is going to be balanced. He stated that they have to have some type of mechanism to balance the budget and that it is now too late because other areas of the budget have already been approved.

Mr. Yazbak purports that it isn't too late because the entire budget was not adopted Monday evening and everything was continued to tonight's meeting.

Mr. Flaherty expressed his opinion to not view this town council

either pro-school or anti-school and that some members are not recommending the full 4% should not translate into that they are anti-school. There has been a lot of misleading information out there and of how much the school has had to work with, where the savings are. He spoke on behalf of the entire council and wants to see the school district continue to strengthen not to weaken it or dismantle it. He stated that North Smithfield has consistently outpaced the rest of the state average for total increases in the school budget. As he reviews the school budget and what they are trying to accomplish, his concern is whether or not they will have the ability to provide increases year after year and to be able to sustain that. He explained what is going to happen in f/y 2018 with the school funding formula that is going to come to an end for redistribution and there is no guarantee sizeable increases coming from the State in f/y 2018. That combined with the tangibles from National Grid revenue which is substantial for the town is going to depreciate substantially and not having that substantial growth from Dowling Village. All of those factors combined suggest that there will be a serious issue to contend with beginning in f/y 2018. He commented that he has always weighed in the facts as impartially as he can and to vote with his conscience.

MOTION by Mr. Yazbak and seconded by Mr. McGee to appropriate \$24,743,515 for the school department.

Roll call: Ms. Alves – no; Mr. McGee – yes; Mr. Yazbak – yes; Mr.

Zwolenski – no; and Mr. Flaherty – no. The motion failed 3 to 2.

Mr. Zwolenski would like to increase the budget by \$25,000 to help defray costs for a Library Resource Aid or Librarian.

MOTION by Ms. Alves and seconded by Mr. Zwolenski to appropriate \$18,617,223 for the school department.

Roll call: Ms. Alves – yes; Mr. McGee – no; Mr. Yazbak – no; Mr. Zwolenski – no; and Mr. Flaherty – yes. The motion failed 3 to 2.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to increase the budget by \$25,000 to appropriate \$18,642,223 for the school department.

Mr. Yazbak stated that the vote that was taken does not comply with state law with maintenance of effort and thinks that a motion should be made for State Aid and Tuition Group Home and High Cost Special-Ed on the table and make a motion to approve it so it isn't in violation of state law.

Finance Director MacDonald agreed with Mr. Yazbak and stated that the

local appropriation lines have been approved, not the state and so those line items must be approved.

MOTION by Mr. Flaherty, seconded by Ms. Alves, and voted 4 to 1 on a roll call vote (Mr. McGee voted no) to approve and appropriate \$5,442,118 for the State under the School Department Expenditure Budget.

MOTION by Mr. Flaherty, seconded by Ms. Alves, and voted unanimously on a roll call vote to approve and appropriate \$110,978 for the Tuition-Group Home under the School Department Expenditure Budget.

June 23, 2014

MOTION by Mr. Flaherty, seconded by Ms. Alves, and voted unanimously on a roll call vote to approve and appropriate \$205,000 for Medicaid under the School Department Expenditure Budget.

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted unanimously

on a roll call vote to approve and appropriate \$11,538 for High Cost

Special Ed under the School Department Expenditure Budget.

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to approve and appropriate \$60,000 for Rental Income under the School

Department Expenditure Budget.

Mr. Lindberg thanked the residents. He stated that he struggles with comparing other districts to North Smithfield and explained why they are getting money for state aid and are not seeing the whole picture for appropriations compared to other districts. He suggested getting an education performance audit next year and have them go through the school department and inform them of where they can cut and save further. He stated that the information Mr. Flaherty shared doesn't line up with the information that came from RIDE and something seems amiss. He feels that they are ignoring recommendations from the audit report. He couldn't be more proud of what their teaching faculty and support staff has done. He doesn't know where they are wasting money and are there to ask for better.

TOTAL EXPENDITURE BUDGET

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to approve and adopt the entire expenditure budget for \$39,347,660.

Mr. Clifford requested increasing the third party billing on the revenue budget from \$225,000 to \$250,000 under miscellaneous receipts.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted unanimously on aye vote to take a 5 minute recess at 8:24 P.M.

The meeting resumed at 8:34 P.M.

REVENUE

Finance Director MacDonald asked all department heads about their revenue numbers and did make the necessary changes that are highlighted in their current report. The revenue budget is \$39,347,660 after asking to increase that by \$25,000 adding that to the third party billing line. It was previously \$39,322,660 before the request to add \$25,000 for the third party billing.

Mr. Lombardi requested Exhibit A Proposed General Fund Revenue Budget fiscal year 2014/2015 be placed on file.

Mr. Yazbak noted that last summer they took a 5 to 0 vote to make sure that the budget includes all items of income. He noted that this budget does not include the income revenue from third party billing and also does not include the income revenue from cruiser detail that he knows of and wanted to point that out. It isn't being handled the same way and isn't consistent. He stated that to maintain accounts for third party billing and cruiser detail, he would prefer to show the entire amount of revenue either in a supplemental budget or some addendum to show the income and the amount that is going to be funded over into the general fund and what is to stay in the account. That is what happened last summer but noted that it isn't what happened in this process.

MOTION by Mr. Zwolenski, seconded by Ms. Alves, and voted 3 to 2 on a roll call vote (Mr. McGee and Mr. Yazbak voted no) to accept and amend the document dated June 17, 2014 as of February 17, 2014 as the Town of North Smithfield Proposed General Fund – Revenue Budget taken as its entirety to reflect the correction of third party billing from \$225,000 to \$250,000 increasing revenue by \$25,000 for a grand total amount of \$39,347,660.

June 23, 2014

SEWER DEPARTMENT BUDGET

Mr. Zwolenski asked Mr. Carpenter if there was anything special upcoming for account #325 Legal and Engineering. Last year he indicated that \$3,950 was spent and it was allocated for \$10,000 and only \$1,850 was spent and the department's request is \$7,500.

Mr. Carpenter indicated that it was allocated for \$25,000 in the past but he lowered it the last two years to \$10,000. At the last sewer commission meeting they will be rewriting the sewer ordinance and that expense will be coming out of that line item.

MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted unanimously on a roll call vote to reduce account #4360-328 Accounting from \$3,500 to \$0 and adding the difference and

transferring to account #4360-325 Legal and Engineering for a total of \$11,000.

MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted unanimously on a roll call vote approving the Sewer Department's Operating Budget for \$1,497,185.44 and for debt service for \$732,793 as amended.

MOTION by Mr. Zwolenski, seconded by Mr. Yazbak, and voted unanimously on an aye vote allowing the Council President to submit the official Sewer Department's Operating Budget to be placed on file as amended.

DEPARTMENT TRANSFERS

MOTION by Ms. Alves, seconded by Mr. Zwolenski, and voted unanimously on a roll call vote to accept the recommended transfers of the Finance Director and the Town Administrator dated June 19, 2014 as Exhibit C.

METHOD OF TAX COLLECTION

MOTION by Mr. Flaherty, seconded by Ms. Alves and voted 4 to 1 on a roll call vote (Mr. Yazbak voted no) to accept and adopt the Finance Director's and Town Administrator's recommendation on the following method of tax collection as presented as Exhibit D: "SHALL THIS TOWN COUNCIL VOTE AS FOLLOWS: That the Finance Director be and is hereby authorized to pay each order when

approved by the town council, by the school committee or the director of public aid, as the case may be. That the Finance Director be and is hereby authorized to apply receipts for the interest on overdue taxes toward the payment of interest on bonds and notes of the town. That the Finance Director be and is hereby authorized, within the consent of the town council, to hire such sum or sums of money as may be necessary to carry on the business of the town for the ensuing year. That the Finance Director be and is hereby authorized to pay the town's debts and interest. IT IS HEREBY RESOLVED: That the North Smithfield Town Council, in a meeting legally assembled on June 16, 2014, hereby orders a levy apportionment and collection of a tax on the ratable real estate, tangible personal property and an excise tax on registered motor vehicles and trailers in a sum of not less than \$29,000,000 nor more than \$31,000,000. Said taxes are for ordinary expenses and charges, for the payment of interest and indebtedness in whole or in part of said town and for the other expenses or purposes authorized by law. The Tax Assessor shall assess and apportion said tax on the inhabitants and ratable property of said town as of the thirty-first (31st) day of December A.D. 2013, at twelve (12) o'clock midnight Eastern Standard Time or Daylight Savings Time, with exception of new construction, as the case may be according to law and delivered to and deposited the same in the office of the town administrator on or before the thirtieth (30th) day of June, 2014. The Town Administrator, on receipt of said assessment, shall forthwith make a copy of same and deliver it to the Finance Director, who shall

forthwith issue and affix to said copy a warrant under his/her hand directed to the collector of taxes of the town, commanding him/her to proceed and collect said tax of the person and estate liable therefore, said tax shall be due and payable no later than the fifteenth (15th) day of August, 2014, and all taxes remaining unpaid no later than the fifteenth (15th) day of August, 2014, shall carry until collected a penalty at a rate of twelve (12) percent per annum, unless specifically abated by a vote of the Town Council under Title 44 of June 23, 2014

the General Laws of RI, 1956, as amended. Said tax may be paid in four (4) installments, the first installment of twenty-five (25) percent no later than the fifteenth (15th) day of August, A.D., 2014, and the remaining installments as follows: twenty-five (25) percent on the fifteenth (15th) day of October, A.D., 2014 and twenty-five (25) percent on the fifteenth (15th) day of January A.D., 2015 and the remaining twenty-five (25) percent on the fifteenth (15th) day of April, A.D., 2015.

Each installment of taxes, if paid on or before the last day of each installment period successively and in order, shall be free from any charge for penalty. If the first installment or any succeeding installment of taxes is not paid by the last date of the respective installment period or periods as they occur, then the whole tax or remaining unpaid balance of the tax, as the case may be, shall immediately become due and payable and carry until collected a penalty at a rate of twelve (12) percent per annum from the first quarter due date or the last satisfied quarter unless specifically

abated by a vote of the town council under Title 44 of the General Laws of RI, 1956, as amended. Quarterly payment option shall not apply to any tax levied in an amount not in excess of one hundred dollars (\$100.00) in which case such tax shall be payable in a single installment.”

MOTION by Mr. Zwolenski, seconded by Mr. Yazbak, and voted unanimously on an aye vote to include the wording “Exhibit D” to the Method of Tax Collection document as presented.

POLICE DEPARTMENT REQUEST TO PURCHASE VEHICLES FROM THE DETAIL FUND ACCOUNT

Finance Director MacDonald indicated that they could take the funds from the cruiser fees. The Police Department has the money available for two vehicles and would like to purchase a total of three vehicles but only has enough funds to purchase two vehicles at this time.

Mr. Yazbak stated that if they receive money later in the year they would be authorized for the third vehicle that already being part of the budget process.

Finance Director MacDonald stated yes and explained that they would need to go out to bid and follow the entire process.

MOTION by Mr. Yazbak, seconded by Mr. McGee and Mr. Zwolenski,

and voted unanimously on a roll call vote, based on the recommendation from the Chief of Police, the Finance Director and the Town Administrator, for the purchase of vehicles from the detail fund account.

MOTION by Mr. Yazbak, seconded by Ms. Alves, and voted unanimously on an aye vote to adjourn at 9:15 P.M.

Respectfully submitted,

Patricia A. Paul

Deputy Town Clerk